

EXECUTIVE CHAMBERS

HONOLULU

July 10, 2007

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 837

Honorable Members
Twenty-Fourth Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 837, entitled "A Bill Relating to Agriculture."

This bill authorizes the agribusiness development corporation to purchase agricultural lands in the Kunia and Ewa areas of Oahu for the preservation of agricultural lands in the Kunia and Ewa areas and allows the agribusiness development corporation to enter into land lease agreements and contract with financial institutions to provide lease management services.

This bill is objectionable because it proposes to pay the full asking price advertised by a large private landowner and includes lands within the City's Urban Growth Boundary scheduled for development under the Ewa Development Plan adopted in 1997 by the City and County of Honolulu, pursuant to Ordinance 97-49.

The General Fund appropriation contained in this bill coincidentally matches the sales price of two parcels of property offered by a large private corporation. Should the State wish to retain lands in agriculture for the public good, it is more appropriate to use eminent domain laws and purchase said property at market value, rather than the full asking price.

The inclusion of Ewa lands within the Urban Growth Boundary is unacceptable because the Attorney General has opined that the Governor cannot legally make a guarantee that the funds within this bill would not be considered for purchase of

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properties located in Ewa. Thus, if the State acquired lands or attempted to acquire lands in Ewa to keep the lands in agriculture, it may expose the State to unnecessary and avoidable litigation.

Further, it should be noted that the agribusiness development corporation already has statutory authority to purchase and lease lands under Hawaii Revised Statutes §163D-4. The State owns a 150 acre parcel of land planned for future use as the Royal Kunia Agricultural Park. The park will be under the oversight of the Department of Agriculture's Agricultural Resource Management Division as part of this Administration's program to preserve agricultural land in the area.

As noted in my July 5, 2007 communications to Speaker Say and President Hanabusa, the defect of this bill can be easily remedied by statutorily authorizing the use of eminent domain proceedings as provided for in Chapter 101-14 of the Hawaii Revised Statutes. I have asked the Legislature to make this amendment, which only the Legislature can do. Further, enacting this amendment would establish an important precedent of using eminent domain powers for the preservation of agricultural property. If the Legislature makes the necessary corrections to this bill, I have stated my willingness to sign this measure.

For the foregoing reasons, I am returning Senate Bill No. 837 without my approval.

Respectfully,



LINDA LINGLE
Governor of Hawaii